CITY OF BOYNTON BEACH
POLICE OFFICERS' PENSION FUND

2100 North Florida Mango Road
West Palm Beach, Florida 33409

Telephone: 954.636.7170 Toll Free Fax: 866.769.0678

DROP DISBURSEMENT OR DROP ROLLOVER TO QUALIFIED PLAN

The attached forms must be filled-out completely. If any of these forms are received incomplete or not fill-out completely, then the forms will be returned to the member and will be deemed not received by the Fund. We suggest to all of our members to seek out professional assistance form a certified financial planner, tax accountant and/or an attorney with experience in this area before making this decision.

The following forms must be completed:

1) Benefit Election Form
2) QDRO Affidavit
3) Marital Affidavit
4) Special Tax Notice
5) State Tax Form
6) Tax Withholding Form
7) Direct Deposit Agreement
8) Administrative Policy on DROP
9) Administrative Policy on DROP Loans

Procedure:

The Plan Administrator will review all of the documents submitted. The Plan Administrator will notify you whether the documents have been accepted or returned for not being completed properly. Once the documents have been accepted, the application will be processed for disbursement. The process may take up to sixty days. The Plan Administrator will assist you in this endeavor. If you have any questions, please do not hesitate to contact the Plan Administrator.

City of Boynton Beach Police Officers' Pension Fund
DROP ELECTION OF BENEFITS

A. ABOUT YOU (Please Print)

____ ______________________

Last name First name M.I.

____ ______________________

Home address Telephone

My Date of Birth Is: ____/____/____ Social Security Number: ______/______/______

B. FORM OF BENEFIT

Having received an estimate of my benefit under the City of Boynton Beach Police Officers' Pension Fund I elect to have my account paid to me as follows:

_______1. Lump-Sum Payment $ ________________________My balance will be reduced by the amount I have chosen to withdraw and a 20% tax withholding will apply. Other penalties in accordance to the Pension Protection Act 2006 may apply.

_______2. Total Rollover to a Qualified Plan $______________________

_______3. Partial Lump-Sum $_________________________ My balance will be reduced by the amount I have chosen to withdraw and a 20% tax withholding will apply. Other penalties in accordance to the Pension Protection Act 2006 may apply.

_______4. Partial Rollover to a Qualified Plan $______________________

_______5. Recurring Monthly Payments $___________________________

C. WHEN BENEFIT IS PAID

I elect to have my benefit begin as soon as administratively practicable following the Board of Trustee's receipt of this form.

D. BENEFICIARY INFORMATION

I hereby designate the person(s) shown on the Beneficiary Designation form as my beneficiary to receive any benefits which may be payable after my death.

E. FEDERAL INCOME TAX WITHHOLDING

The Board of Trustees is **required** to withhold federal income taxes from your payments unless you specifically request otherwise on the accompanying Withholding Election form. The amount withheld depends on the option you select in Section B, above, and your choices on the attached Withholding Election form. You **MUST** complete the Withholding Election form and return it to the Board of Trustees along with this form.

F. YOUR SIGNATURE

I have read and understand the summary of the Boynton Police Officers' Deferred Retirement Option Plan and agree to be bound by the terms of the plan. I understand that the elections I make on this form supersede any and all such elections I may have made prior to the date of my signature below.

______________________________________ ______________________________________

Signature Date

SOCIAL SECURITY NUMBER COLLECTION DISCLOSURE STATEMENT

Your social security number is requested for purposes of determining eligibility for retirement benefits as a plan member, retiree or beneficiary; for processing of retirement benefits; for verification of retirement benefits; for income reporting; or for other notice or disclosures related to retirement benefits. Your social security number will be used solely for one or more of these purposes. The collection and use of your social security number is authorized by Section 119.071(5)(a)(2)(a)(II), Florida Statutes.

City of Boynton Beach Police Officers' Pension Fund

DROP ---ELECTION OF BENEFITS –

G. DIRECT ROLLOVER TO QUALIFIED PLAN OR IRA--FORM OF BENEFIT

Direct Rollover Amount: $ ____________________________

DELIVER ROLLOVER TO:

Name of Financial Institution: ____________________________

Street Address: ____________________________

City: ____________________ State: ______________ Zip Code: ______________

Name of Qualified Plan or IRA: ____________________________

Member Account Name: ____________________________

Member Account Number: ____________________________

H. DIRECT PAYMENT TO MEMBER --- FORM OF BENEFIT

Direct Payment Amount Paid Directly to Member: $____________________

DELIVER DIRECT PAYMENT – FORM OF ACH--TO:

Name of Financial Institution: ____________________________

Street Address: ____________________________

City: ____________________ State: ______________ Zip Code: ______________

ABA Routing Number: ______________Member Account Number:________________________

DELIVER DIRECT PAYMENT VIA CHECK TO THE LISTED ADDRESS:

Address: ____________________________

City: ____________________ State: ______________ Zip Code: ______________

NOTE: All disbursements will only be made out in the member's name.

I. YOUR SIGNATURE

I have read and understand the special tax notice and agree to be bound by the terms of all Pension Plan. I have waived all rights whether vested or non-vested I understand that the elections I make on this form supersede any and all such elections I may have made prior to the date of my signature below.

Signature ____________________________ Date ____________________________

SOCIAL SECURITY NUMBER COLLECTION DISCLOSURE STATEMENT

Your social security number is requested for purposes of determining eligibility for retirement benefits as a plan member, retiree or beneficiary; for processing of retirement benefits; for verification of retirement benefits; for income reporting; or for other notice or disclosures related to retirement benefits.

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Telephone: 954.636.7170 Toll Free Fax: 866.769.0678

QDRO AFFIDAVIT

This form is an affidavit acknowledging that no Qualified Domestic Relations Order (QDRO) currently exists prior to distributing any portion of this member's benefits due from the City of Boynton Beach Police Officers' Pension Fund.

STATE OF FLORIDA)
COUNTY OF ____________)

I, ____________________________________, being duly sworn, hereby depose and state as follows:

1. I am a member in the **CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND** and I am applying for benefits from the Fund.

2. At the time of submission of this application, there is no QDRO that exists distributing any interest in my **CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND** account to any former spouse(s).

FURTHER AFFIANT SAYETH NAUGHT.

____
Signature of Member

Print Name: ___________________________________

The foregoing instrument was subscribed, sworn to, and acknowledged before me this _____ day of ________________, 20____, by ______________________________,(name of personal acknowledging) who is personally known to me or has produced _______________________________(type of identification) as identification and did/did not take an oath.

(Seal)

____
Signature of Notary Public
Print Name of Notary: __________________________
My Commission Expires: ________________________
Commission Number: ___________________________

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POLICE OFFICERS' PENSION FUND

2100 North Florida Mango Road
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Telephone: 954.636.7170 **Toll Free Fax: 866.769.0678**

AFFIDAVIT REGARDING MARITAL STATUS

STATE OF FLORIDA)
COUNTY OF ________________) SS.

I ________________________________, being duly sworn, herby depose and state the following:

I am a member of the City of Boynton Beach Police Officers' Pension Fund applying for benefits or a refund of contributions from the City of Boynton Beach Police Officers' Pension Fund.

INITIAL THE APPLICABLE LINE BELOW:

A. ________ I have been involved in a divorce proceeding(s) and hereby represent that I have attached a copy of all divorce decrees, property settlement agreements, income deduction orders and child support orders concerning my divorce.

B. ________ At the time of submission of this application, I affirm that I have never been divorced and I am not subject to any divorce decrees, property settlement agreements, income deduction orders or court-ordered child support awards.

FURTHER AFFIANT SAYETH NAUGHT.

____
Signature of Member

The foregoing instrument was subscribed, sworn to, and acknowledged before me this _____ day of _______________, 20____, by _____________________________,(name of personal acknowledging) who is personally known to me or has produced _______________________________(type of identification) as identification and did/did not take an oath.

(Seal)

____
Signature of Notary Public
Print Name of Notary:
My Commission Expires:
Commission Number: ____________________

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SPECIAL TAX NOTICE

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the City of Boynton Beach Police Officers' Pension Fund (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a Plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 72[1] (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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[1] Effective January 1, 2020, if you had not already attained age 70½ by December 31, 2019, you may wait until age 72 to begin taking the required minimum distributions.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Payments for certain distributions relating to certain federally declared disasters
- Phased retirement payments made to federal employees.

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions. In this case, if you directly roll over $10,000 to an IRA that is not a Roth IRA, no amount is taxable because the $2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over $10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Individual Retirement Arrangements (IRAs)*.

If your payment includes employer stock that you do not roll over

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you have an outstanding loan that is being offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

How long you have to complete the rollover depends on what kind of plan loan you have. If you have a qualified plan loan offset, you will have until your tax return date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

If you were born on or before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

If your payment is from a governmental section 457(b) plan

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

If you roll over the payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

If you are not a plan participant

<u>Payments after death of the participant</u>. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 72, provided you had not already attained age 70½ by December 31, 2019.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 72.

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

<u>Payments under a qualified domestic relations order</u>. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than $1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

*   *   *

I HAVE RECEIVED THE PRECEDING 9-PAGE SPECIAL TAX NOTICE:

Date: ______________________

____
Participant's Signature

____
Print Clearly Participant's Name

Note: *Return* ***ONLY*** *this last page (numbered 10 of 10) to:*

City of Boynton Beach Police Officers' Pension Fund
c/o Louis Penque
Plan Administrator
2100 N. Florida Mango Road
West Palm Beach, FL 33409
Email: loup@bbpdp.org
Telephone: (561) 340-3470

Retirement Benefit Payment Services

State Income Tax Withholding Election

Participant Name: ________________ Social Security Number ___________________
Address 1 ____
Address 2 ____
City, State Zip ____

Part 1 – Legal Residence

X My legal residence is the same as the mailing address printed above.

☐ My legal residence is as follows:

____

____

____

Part 2 – State Income Withholding Election Information contained here is subject to change and should be used in conjunction with the applicable state tax laws. This document will not substitute for the advice of a tax advisor. For the most current state tax information, consult your tax advisor or your state revenue department.

Residents of . . .	Your Election
Alaska (AK) **Florida (FL)** **Hawaii (HI)** **Nevada (NV)** **New Hampshire (NH)** **South Dakota (SD)** **Tennessee (TN)** **Texas (TX)** **Washington (WA)** **Wyoming (WY)**	State income tax withholding is not required nor allowed. Please sign form and return.
Pennsylvania (PA)	PA state tax withholding is not offered. Please sign form and return.

Connecticut (CT) **Illinois (IL)** **Indiana (IN)** **Maryland (MD)** **Michigan (MI)** **Missouri (MO)** **Montana (MT)** **New Jersey (NJ)** **New Mexico (NM)** **New York (NY)** **North Dakota (ND)**	State income tax withholding is voluntary. If you want state income tax withheld, you must provide the amount to withhold. ▪ **ND, IL** – You may elect any dollar amount to be withheld. ▪ **CT, NJ** – Only whole dollar amounts may be withheld and withholding amount must be at least $10.00 ▪ **IN, MO, MT, NM** – Withholding amount must be at least $10.00 ▪ **MI, NY** – Only whole dollar amounts may be withheld and withholding amount must be at least $5.00 ▪ **MD** – Withholding amount must be at least $5.00. Residents *cannot* elect out of mandatory state tax withholding if an eligible rollover distribution is not rolled over. In this case, 7.75 % of the gross distribution will be withheld for state taxes. ***YOUR ELECTION:*** ☐ **I do not want state income tax withheld.** ☐ **I elect to have the following amount withheld:** **$ ____________** *(enter amount)*
Alabama (AL) **Colorado (CO)** **District of Columbia (DC)** **Idaho (ID)** **Kentucky (KY)** **Louisiana (LA)** **Minnesota (MN)** **Mississippi (MS)** **Ohio (OH)** **Rhode Island (RI)** **South Carolina (SC)** **Utah (UT)** **West Virginia (WV)** **Wisconsin (WI)**	State income tax withholding is voluntary. If you want state income tax withheld, you must provide a valid election. ***YOUR ELECTION:*** ☐ **I do not want state income tax withheld.** ☐ **I elect to have state income tax withheld as follows:** Marital status: ☐ Married ☐ Single Allowances: ____________ Additional Amount: $ __________
Arizona (AZ)	State income tax withholding is voluntary. If you want state income tax withheld, you must provide the percentage of federal income tax you would like withheld for state income tax. Note: State tax will *not* be withheld from lump sum payments. ***YOUR ELECTION:*** ☐ **I do not want state income tax withheld.** ☐ **I elect to have the following fixed percentage of my federal income tax withheld for state income tax:** ☐ *10.7%* ☐ *20.3%* ☐ *24.5%* ☐ *26.7%* ☐ *33.1%* ☐ *39.5%*

Delaware (DE) **Iowa (IA)** **Kansas (KS)** **Maine (ME)** **Massachusetts (MA)** **Nebraska (NE)** **Oklahoma (OK)**	State income tax withholding is mandatory if you elect to have federal income tax withheld. If you do not want state income tax withheld, you must elect to have no federal tax withheld on Federal Tax Form W-4P. ***YOUR ELECTION:*** ☐ **I do not want state income tax withheld and I have elected not to have Federal Tax withheld.** ☐ **DE, KS, OK, MA:** I elect to have state tax withheld as follows: Marital status: ☐ Married ☐ Single Allowances: ____________ Additional Amount: $ __________ ☐ **IA:** I elect to have 5% withheld. I would also like additional withholding of: $ _________. (Additional withholding is optional.) ☐ **ME, NE:** State withholding is based on your federal tax election. Check this box to have state tax withheld.
Arkansas (AR) **California (CA)** **Georgia (GA)** **North Carolina (NC)** **Oregon (OR)** **Vermont (VT)** **Virginia (VA)**	State income tax withholding is mandatory *unless you specifically elect to no withholding.* ▪ **AR:** Residents cannot elect out of mandatory 5% state tax withholding if an eligible rollover distribution is not rolled over. This is for non-periodic (eligible rollover distribution) distributions only. ▪ **VA:** Residents can only elect no withholding if (a) the same choice was made for federal purposes, (b) recipient is a nonresident, (c) recipient expects to have no tax liability, or (d) recipient's adjusted gross income is less that $7,000 if single, $14,000 if married. Residents cannot elect out of mandatory 4% state tax withholding if an eligible rollover distribution is not rolled over. ***YOUR ELECTION:*** ☐ **I do not want state income tax withheld.** ☐ **I elect to have state tax withheld as follows:** Marital status: ☐ Married ☐ Single Allowances: ____________ Additional Amount: $ __________

Part 4 – Authorization

I, the undersigned, hereby certify that my legal residence in Part 1 is accurate and I authorize state taxes to be withheld as indicated on this form. I understand the information presented on this form is for informational purposes only and is not intended as tax advice.

Signature: ____ Date: __________________

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

OMB No. 1545-0074

2018

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to *www.irs.gov/FormW4P*.

Purpose. Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions or for payments to U.S. citizens to be delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on pages 2 and 3. Your previously filed Form W-4P will remain in effect if you don't file a Form W-4P for 2018.

General Instructions

Section references are to the Internal Revenue Code.

Follow these instructions to determine the number of withholding allowances you should claim for pension or annuity payment withholding for 2018 and any additional amount of tax to have withheld. Complete the worksheet(s) using the taxable amount of the payments.

If you don't want any federal income tax withheld (see *Purpose,* earlier), you can skip the worksheets and go directly to the Form W-4P below.

Sign this form. Form W-4P is not valid unless you sign it.

You can also use the calculator at ***www.irs.gov/W4App*** to determine your tax withholding more accurately. Consider using this calculator if you have a more complicated tax situation, such as if you have more than one pension or annuity, a working spouse, or a large amount of income outside of your pensions. After your Form W-4P takes effect, you can also use this calculator to see how the amount of tax you're having withheld compares to your projected total tax for 2018. If you use the calculator, you don't need to complete any of the worksheets for Form W-4P.

Note that if you have too much tax withheld, you will receive a refund when you file your tax return. If you have too little tax withheld, you will owe tax when you file your tax return, and you might owe a penalty.

Filers with multiple pensions or more than one income. If you have more than one source of income subject to withholding (such as more than one pension or a pension and a job, or you're married and your spouse is working), read all of the instructions, including the instructions for the Multiple Pensions/More-Than-One-Income Worksheet, before beginning.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you might owe additional tax. See Pub. 505, Tax Withholding and Estimated Tax, for more information. Get Form 1040-ES and Pub. 505 at *www.irs.gov/FormsPubs*. Or, you can use the Deductions, Adjustments, and Additional Income Worksheet on page 5 or the calculator at *www.irs.gov/W4App* to make sure you have enough tax withheld from your payments. If you have income from wages, see Pub. 505 or use the calculator at *www.irs.gov/W4App* to find out if you should adjust your withholding on Form W-4 or Form W-4P.

Note: Social security and railroad retirement payments may be includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depend on (a) the kind of payment you receive; (b) whether the payments are to be delivered outside the United States or its possessions; and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 3 for special withholding rules that apply to payments to be delivered outside the United States and payments to foreign persons.

--------------- **Separate here and give Form W-4P to the payer of your pension or annuity. Keep the worksheet(s) for your records.** ---------------

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

▶ **For Privacy Act and Paperwork Reduction Act Notice, see page 6.**

OMB No. 1545-0074

2018

Your first name and middle initial	Last name	**Your social security number**
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1 Check here if you **do not want any** federal income tax withheld from your pension or annuity. (Don't complete line 2 or 3.) ▶ ☐

2 Total number of allowances and marital status you're claiming for withholding from each **periodic** pension or annuity payment. (You also may designate an additional dollar amount on line 3.) . . . . ▶ (Enter number of allowances.)

Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate.

3 Additional amount, if any, you want withheld from each pension or annuity payment. (**Note:** For periodic payments, you can't enter an amount here without entering the number (including zero) of allowances on line 2.) . . . . ▶ $

Your signature ▶ **Date ▶**

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* below.

Caution: There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. You can't designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you don't want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 3.

Caution: If you don't submit Form W-4P to your payer, the payer must withhold on periodic payments as if you're married claiming three withholding allowances. Generally, this means that tax will be withheld if the taxable amount of your pension or annuity is at least $1,990 a month.

If you submit a Form W-4P that doesn't contain your correct social security number (SSN), the payer must withhold as if you're single claiming zero withholding allowances even if you checked the box on line 1 to have no federal income tax withheld.

There are some kinds of periodic payments for which you can't use Form W-4P because they're already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and tax-exempt organizations' deferred compensation plans described in section 457. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

Nonperiodic payments—10% withholding. Your payer must withhold at a flat 10% rate from the taxable amount of nonperiodic payments (but see *Eligible rollover distribution—20% withholding* below) **unless** you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct SSN) to your payer and checking the box on line 1. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 3. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You can't use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

Caution: If you submit a Form W-4P that doesn't contain your correct SSN, the payer can't honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

Eligible rollover distribution—20% withholding. Distributions you receive from qualified pension or annuity plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a flat 20% federal withholding rate on the taxable amount of the distribution. The 20% withholding rate is required, and you can't choose not to have income tax withheld from eligible rollover distributions. Don't give Form W-4P to your payer unless you want an additional amount withheld. In that case, complete line 3 of Form W-4P and submit the form to your payer.

Note: The payer won't withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA or another eligible retirement plan (if allowed by the plan), such as a 401(k) plan, qualified pension plan, governmental section 457(b) plan, section 403(b) contract, or tax-sheltered annuity.

Distributions that are (a) required by federal law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are **not** "eligible rollover distributions" and aren't subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 2.

Tax relief for victims of terrorist attacks. For tax years ending after September 10, 2001, disability payments for injuries incurred as a direct result of a terrorist attack directed against the United States (or its allies), whether outside or within the United States, aren't included in income. You may check the box on line 1 of Form W-4P and submit the form to your payer to have no federal income tax withheld from these disability payments. However, you must include in your income any amounts that you received or you would've received in retirement had you not become disabled as a result of a terrorist attack. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Changing Your "No Withholding" Choice

Periodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the 2018 default rate (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Payments to Foreign Persons and Payments To Be Delivered Outside the United States

Unless you're a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are to be delivered to you outside the United States or its possessions. You can't choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for details. A foreign person should submit Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's taxpayer identification number (TIN).

Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, Distributions From Retirement Plans, Insurance Contracts, etc., showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you're a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, by March 15 of next year.

Specific Instructions

Personal Allowances Worksheet

Complete this worksheet on page 4 first to determine the number of withholding allowances to claim.

Line C. ***Head of household please note:*** Generally, you can claim head of household filing status on your tax return only if you're unmarried and pay more than 50% of the costs of keeping up a home for yourself and a qualifying individual. See Pub. 501 for more information about filing status.

Line E. Child tax credit. When you file your tax return, you might be eligible to claim a credit for each of your qualifying children. To qualify, the child must be under age 17 as of December 31 and must be your dependent who lives with you for more than half the year. To learn more about this credit, see Pub. 972, Child Tax Credit. To reduce the tax withheld from your payments by taking this credit into account, follow the instructions on line E of the worksheet. On the worksheet you will be asked about your total income. For this purpose, total income includes all of your pensions, wages, and other income, including income earned by a spouse, during the year.

Line F. Credit for other dependents. When you file your tax return, you might be eligible to claim a credit for each of your dependents that don't qualify for the child tax credit, such as any dependent children age 17 and older. To learn more about this credit, see Pub. 505. To reduce the tax withheld from your payments by taking this credit into account, follow the instructions on line F of the worksheet. On the worksheet, you will be asked about your total income. For this purpose, total income includes all of your pensions, wages, and other income, including income earned by a spouse, during the year.

Line G. Other credits. You might be able to reduce the tax withheld from your payments if you expect to claim other tax credits, such as the earned income tax credit and tax credits for education and child care expenses. If you do so, your payments will be larger but the amount of any refund that you receive when you file your tax return will be smaller. Follow the instructions for Worksheet 1-6 in Pub. 505 if you want to reduce your withholding to take these credits into account.

Deductions, Adjustments, and Additional Income Worksheet

Complete this worksheet to determine if you're able to reduce the tax withheld from your pension or annuity payments to account for your itemized deductions and other adjustments to income, such as IRA contributions. If you do so, your refund at the end of the year will be smaller, but your payments will be larger. You're not required to complete this worksheet or reduce your withholding if you don't wish to do so.

You can also use this worksheet to figure out how much to increase the tax withheld from your payments if you have a large amount of other income, such as interest, dividends, or capital gains.

Another option is to take these items into account and make your withholding more accurate by using the calculator at *www.irs.gov/W4App*. If you use the calculator, you don't need to complete any of the worksheets for Form W-4P.

Multiple Pensions/More-Than-One-Income Worksheet

Complete this worksheet if you receive more than one pension, if you have a pension and a job, or if you're married filing jointly and have a working spouse or a spouse who received a pension. If you don't complete this worksheet, you might have too little tax withheld. If so, you will owe tax when you file your tax return and might be subject to a penalty.

Figure the total number of allowances you're entitled to claim and any additional amount of tax to withhold on all pensions using worksheets from only one Form W-4P. Claim all allowances on the Form W-4P that you or your spouse file for the highest paying pension in your family and claim zero allowances on Forms W-4P filed for all other pensions. For example, if you receive $60,000 from your pension per year and your spouse receives $20,000 from a pension, you should complete the worksheets to determine what to enter on lines 2 and 3 of your Form W-4P, and your spouse should enter zero ("-0-") on lines 2 and 3 of his or her Form W-4P. See Pub. 505 for details.

Another option is to use the calculator at *www.irs.gov/W4App* to figure your withholding more precisely.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for yourself . . . . **A** ______

B Enter "1" if you will file as married filing jointly . . . . **B** ______

C Enter "1" if you will file as head of household . . . . **C** ______

D Enter "1" if:
- You're single, or married filing separately, and have only one pension; or
- You're married filing jointly, have only one pension, and your spouse has no income subject to withholding; or
- Your income from a second pension or a job or your spouse's pension or wages (or the total of all) are $1,500 or less.

. . . . . . **D** ______

E **Child tax credit.** See Pub. 972, Child Tax Credit, for more information.
- If your total income will be less than $69,801 ($101,401 if married filing jointly), enter "4" for each eligible child.
- If your total income will be from $69,801 to $175,550 ($101,401 to $339,000 if married filing jointly), enter "2" for each eligible child.
- If your total income will be from $175,551 to $200,000 ($339,001 to $400,000 if married filing jointly), enter "1" for each eligible child.
- If your total income will be higher than $200,000 ($400,000 if married filing jointly), enter "-0-" . . . . **E** ______

F **Credit for other dependents.**
- If your total income will be less than $69,801 ($101,401 if married filing jointly), enter "1" for each eligible dependent.
- If your total income will be from $69,801 to $175,550 ($101,401 to $339,000 if married filing jointly), enter "1" for every two dependents (for example, "-0-" for one dependent, "1" if you have two or three dependents, and "2" if you have four dependents).
- If your total income will be higher than $175,550 ($339,000 if married filing jointly), enter "-0-" . . . . **F** ______

G **Other credits.** If you have other credits, see Worksheet 1-6 of Pub. 505 and enter the amount from that worksheet here . . . . **G** ______

H Add lines A through G and enter the total here . . . . ▶ **H** ______

For accuracy, **complete all worksheets that apply.**
- If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, or if you have a large amount of other income and want to increase your withholding, see the **Deductions, Adjustments, and Additional Income Worksheet,** later.
- If you **have more than one source of income subject to withholding** or are **married filing jointly and you and your spouse both have income subject to withholding** and your combined income from all sources exceeds $52,000 ($24,000 if married filing jointly), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 5 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 2 of Form W-4P above.

Deductions, Adjustments, and Additional Income Worksheet

Note: Use this worksheet *only* if you plan to itemize deductions, claim certain adjustments to income, or have a large amount of other income.

1 Enter an estimate of your 2018 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income. See Pub. 505 for details . . . **1** $

2 Enter: { $24,000 if you're married filing jointly or qualifying widow(er); $18,000 if you're head of household; $12,000 if you're single or married filing separately } . . . **2** $

3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" . . . **3** $

4 Enter an estimate of your 2018 adjustments to income and any additional standard deduction for age or blindness (see Pub. 505 for information about these items) . . . **4** $

5 **Add** lines 3 and 4 and enter the total . . . **5** $

6 Enter an estimate of your 2018 other income (such as dividends, interest, or capital gains) . . . **6** $

7 **Subtract** line 6 from line 5. If zero, enter "-0-". If less than zero, enter the amount in parentheses . . . **7** $

8 **Divide** the amount on line 7 by $4,150 and enter the result here. If a negative amount, enter in parentheses. Drop any fraction . . . **8**

9 Enter the number from the **Personal Allowances Worksheet**, line H, page 4 . . . **9**

10 **Add** lines 8 and 9 and enter the total here. If zero or less, enter "-0-". If you plan to use the **Multiple Pensions/More-Than-One-Income Worksheet**, also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4P, line 2, page 1 . . . **10**

Multiple Pensions/More-Than-One-Income Worksheet

Note: Use this worksheet *only* if the instructions under line H from the **Personal Allowances Worksheet** direct you here. This applies if you (and your spouse if married filing jointly) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

1 Enter the number from the **Personal Allowances Worksheet**, line H, page 4 (or from line 10 above if you used the **Deductions, Adjustments, and Additional Income Worksheet**) . . . **1**

2 Find the number in **Table 1** below that applies to the **LOWEST** paying pension or job and enter it here. However, if you're married filing jointly and the amount from the highest paying pension or job is $75,000 or less and the combined amounts for you and your spouse are $107,000 or less, do not enter more than "3" **2**

3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4P, line 2, page 1. **Do not** use the rest of this worksheet . . . **3**

Note: If line 1 is **less than** line 2, enter "-0-" on Form W-4P, line 2, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.

4 Enter the number from line 2 of this worksheet . . . **4**

5 Enter the number from line 1 of this worksheet . . . **5**

6 **Subtract** line 5 from line 4 . . . **6**

7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying pension or job and enter it here **7** $

8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . **8** $

9 **Divide** line 8 by the number of payments remaining in 2018. For example, divide by 8 if you're paid every month and you complete this form in April 2018. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment . . . **9** $

Table 1

Married Filing Jointly: If wages from **LOWEST** paying job or pension are—	Enter on line 2 above	All Others: If wages from **LOWEST** paying job or pension are—	Enter on line 2 above
$0 - $5,000	0	$0 - $7,000	0
5,001 - 9,500	1	7,001 - 12,500	1
9,501 - 19,000	2	12,501 - 24,500	2
19,001 - 26,500	3	24,501 - 31,500	3
26,501 - 37,000	4	31,501 - 39,000	4
37,001 - 43,500	5	39,001 - 55,000	5
43,501 - 55,000	6	55,001 - 70,000	6
55,001 - 60,000	7	70,001 - 85,000	7
60,001 - 70,000	8	85,001 - 90,000	8
70,001 - 75,000	9	90,001 - 100,000	9
75,001 - 85,000	10	100,001 - 105,000	10
85,001 - 95,000	11	105,001 - 115,000	11
95,001 - 130,000	12	115,001 - 120,000	12
130,001 - 150,000	13	120,001 - 130,000	13
150,001 - 160,000	14	130,001 - 145,000	14
160,001 - 170,000	15	145,001 - 155,000	15
170,001 - 180,000	16	155,001 - 185,000	16
180,001 - 190,000	17	185,001 and over	17
190,001 - 200,000	18		
200,001 and over	19		

Table 2

Married Filing Jointly: If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above	All Others: If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above
$0 - $24,375	$420	$0 - $7,000	$420
24,376 - 82,725	500	7,001 - 36,175	500
82,726 - 170,325	910	36,176 - 79,975	910
170,326 - 320,325	1,000	79,976 - 154,975	1,000
320,326 - 405,325	1,330	154,976 - 197,475	1,330
405,326 - 605,325	1,450	197,476 - 497,475	1,450
605,326 and over	1,540	497,476 and over	1,540

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You're required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status; (b) request additional federal income tax withholding from your pension or annuity; (c) choose not to have federal income tax withheld, when permitted; or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you're required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You're not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

BOYNTON BEACH POLICE OFFICERS' PENSION FUND

STATEMENT OF POLICY REGARDING DROP

WHEREAS, the Boynton Beach Police Officers' Pension Fund ("Plan") provides for Deferred Retirement Option Plan ("DROP") benefits;

WHEREAS, the Board of Trustees of the Plan ("Trustees") desire to adopt a Statement of Policy regarding the DROP distributions of these benefits;

NOW, THEREFORE, it is hereby resolved that the following Statement of Policy Regarding DROP is hereby adopted.

I. **DISTRIBUTION METHODS**

A. Lump sum - If the lump sum method of distribution is selected then the entire account balance will be paid. The full amount, or a portion thereof, will be paid to the Retirant or can be rolled over to another qualified plan, at the discretion of the Retirant. The payout/rollover can be made in any amount of the Retirant's choosing but the full amount must be taken from the plan. Any amounts paid directly to a Retirant will have a 20% withholding deduction and may be subject to other taxes and/or penalties.

B. Three Installments - If this method is chosen, the account balance will be paid out to the Retirant in three equal annual payments paid over a three year period. These amounts may be paid directly to the Retirant or can be rolled over to another eligible retirement plan, at the discretion of the Retirant. Any amount paid directly to a Retirant will have a 20% withholding deduction and may be subject to other taxes and/or penalties.

C. Monthly installments - If a Retirant chooses monthly installments, then the account balance will be paid out on a monthly basis. The following rules will apply to this method of distribution:

1. For Retirants who are under age 50 when the monthly installments begin, the Retirant may choose any amount provided the amount of the payment is within the minimum and maximum as determined in accordance with the attached annuity tables. For Retirants under age 50 when the installment payments begin, the amount chosen cannot be modified before the Retirant attains age 59½ or within 5 years from the date of the first payment, whichever occurs last. If the amount of the payment is above the maximum, the Retirant can be subject to additional taxes and/or penalties. At age 70½, the monthly installment shall be paid at a rate which meets the minimum distribution rules of Internal Revenue Code §401(a)(9).

2. For Retirants who are older than age, 50 upon separation from service, the amount of the monthly benefit or the method of payment (for example, from monthly to lump sum) can be changed on an annual basis during the open enrollment period. For Retirants who are older than age 50 when the installment payments begin, the amount of the monthly payment can be reduced to zero unless the payee has reached age 70½. The open enrollment period will be the month of August. Additionally, during the open enrollment period only, a member may request a partial lump sum withdrawal and still

continue to receive the monthly payments.

3. A 20% withholding tax applies to all payments paid directly to a Retirant.

4. If there are less than 15 times the monthly installment at the start of the fiscal year, then the remaining balance will be paid in a lump sum.

II. GENERAL CONSIDERATIONS

A. A Retirant may defer election of payment until age 70½. Any account balances accumulated in the DROP will participate in earnings according to the Retirant's election of earnings/losses method. Amounts that are rolled over from another qualified plan are not eligible to earn the fixed rate but will participate in the earnings/ losses of the pension fund as a whole.

B. Final distributions from DROP accounts invested in the variable rate will be subject to a 10% hold back to account for the crediting of interest. Final disbursements of DROP accounts will be made once the DROP statements for the prior quarter have been distributed.

C. Participants and Retirants may designate beneficiaries to receive any balances in the DROP account upon their death. In the absence of such designation, the benefit will be paid to the Retirant's estate.

D. Lump sum payments in excess of $50,000.00 will be paid as soon as administratively possible but no later than 60 days after the date of approval by the Board of Trustees.

E. Participants and Retirants may take a distribution or make an eligible rollover distribution for purposes of compliance with a court ordered distribution outside of the time frames and distribution methods provided for in this Policy, subject to the provisions of Sec. 18-174(d) of the Plan providing that the rights and benefits under the plan are not subject to legal process.

IN WITNESS WHEREOF the Board of Trustees has adopted this STATEMENT OF POLICY REGARDING DROP DISTRIBUTIONS this 7th day of December, 2010

TRUSTEES

Witnessed by:

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November 30, 2010

BOYNTON BEACH MUNICIPAL POLICE OFFICERS' PENSION FUND

POLICY FOR PLAN LOANS ON DROP BALANCES

Under the provisions of Ordinance 06-036, effective June 20, 2006, loans from the DROP are available to members of the **BOYNTON BEACH MUNICIPAL POLICE OFFICERS' PENSION FUND**. Loans are available only after termination of employment, provided the member had participated in the DROP for a period of 12 months. Loans may only be made from a member's own account. There may be no more than one loan at a time The specific rules which will govern the issuance of these loans in accordance with Ordinance 06-036 are as follows:

a. **Amounts of Loan** - Loans may be made based on the funds available in a participant's individual DROP account as follows:

   1. Maximum loan is 50% of the balance in the DROP account; or a maximum dollar amount of $50,000.00, whichever is less.

   2. The minimum loan is $5,000.00.

   If a participant has had an outstanding loan balance during the preceding 12 months, the maximum loan may be further reduced by the amount of that loan.

   Limitations on loans shall be made from the amounts paid into the DROP and the earnings thereon.

b. **Term of Loans** - All loans shall be issued for a minimum term of at least one (1) year and a maximum term of five (5) years and shall be repaid in full within this period. A loan may not be extended or renewed beyond its maturity date.

c. **Interest Rate** - Interest Rate shall be fixed at the time the loan is originated for the entire term of the loan. The Interest Rate shall be equal to the prime rate published by an established local bank on the last day of each calendar quarter preceding the date of loan application.

d. **Defaults on Loans** - Loans shall be in default if two consecutive months' repayments are missed or if a total of four months' repayments are missed. Upon default, the entire balance becomes due and payable immediately. If a loan in default is not repaid in full immediately, the loan may be canceled and the outstanding balance treated as a distribution, which may be taxable.

Upon default of a loan, a member will not be eligible for additional loans.

e. **Loan Payments** - Loan payments shall be deductions from monthly pension distributions.

f. **Documents and Miscellaneous Provisions** - All loans shall be evidenced by a written loan agreement signed by the member and the Board of Trustees as follows:

1. The agreement shall contain a promissory note;
2. A member's spouse must consent in writing to the loan;
3. The consent shall acknowledge the effect of the loan on the member's account balance;
4. Loans shall be considered a general asset of the Fund
5. Loans shall be subject to administrative fees to be set by the Board of Trustees
6. Outstanding loan balances shall not be credited with earnings or losses. As the outstanding balance is repaid with interest, earnings and losses shall be applied to the payments and interest.

g. **Application Fee** - A non-refundable fee is charged to cover the cost of processing all loan applications.

This POLICY FOR PLAN LOANS ON DROP BALANCES is hereby adopted this 14th day of November, 2006.

TRUSTEES

Witnessed by:

H:\BB 0188\Policies\LOANS\2006 DROP Loans.wpd
July 21, 2006

CITY OF BOYNTON BEACH
POLICE OFFICERS' PENSION FUND

2100 North Florida Mango Road
West Palm Beach, Florida 33409

Telephone: 954.636.7170 **Toll Free Fax: 866.769.0678**

DIRECT DEPOSIT AGREEMENT – ONLY IF DIFFERENT ACCOUNT

If you wish to have pension checks deposited electronically into your financial institution account, PLEASE RETURN THIS AGREEMENT TO THE PENSION ADMINISTRATOR, along with a voided check or voided savings deposit form. If your bank is not a member of the Automated Clearing House (ACH), your Pension Administrator will notify you, and this authorization will be canceled. All banking information must be approved by the Board of Trustees (or their designee).

A. PERSONAL INFORMATION

Your Name (Last, First Middle):

____

Home Address City State Zip

______________________/________________/ __________/ ______________/

B. FINANCIAL INSTITUTION INFORMATION

Financial Institution Name ABA Routing Number

______________________________/ /____________________/

Branch Address City State Zip

______________________/________________/ __________/ ______________/

Account Number Name on Account

______________________/ ______________________/

C. AUTHORIZATION

I authorize the City of Boynton Beach Police Officers' Pension Fund to make all benefit payments to which I am entitled by direct deposit to the account designated above. To correct any overpayments made to my account during or after my lifetime, I hereby authorize and direct the financial institution designated above to debit my account and refund such overpayment to the City of Boynton Beach Police Officers' Pension Fund bank or institution of their choice. The authorization is to remain in force until I revoke it in writing or if the City of Boynton Beach Police Officers' Pension Fund terminates the direct deposit service. I will send all notices relating to direct deposit through the City of Boynton Beach Police Officers' Pension Fund. I understand that I must allow reasonable time for any changes to be executed.

______________________________ ____________________

Signature of Fund Member Date

____

Print Name of Fund Member

Official Use Only

Received By: ________________ Date Received: ________________ Date Changed at Bank: ________________